

CALIFORNIA BOARD OF OCCUPATIONAL THERAPY
INITIAL STATEMENT OF REASONS

Subject Matter of Proposed Regulations: Biennial Renewal

Sections Affected: Title 16, Division 39, California Code of Regulations, Sections 4120, 4121, and 4161

SPECIFIC PURPOSE OF THE REGULATIONS:

The specific purpose of the regulation is to amend California Code of Regulations sections 4120, 4121, and 4161 in order to transition license/certificate renewals for occupational therapists and occupational therapy assistants from annual to biennial. As a result of this change, the renewal fee will be reduced and the continuing competency requirements will be increased for each renewal period. This proposal also eliminates the thirty-day grace period for the delinquent fee.

FACTUAL BASIS/NECESSITY:

Section 4120: The proposed language changes the term of a license or certificate from one year to two years. The year of renewal will be determined by the licensee's birth year. Licensees with even birth years will renew in even years and licensees with odd birth years will renew in odd years. Initial licensing fees will be prorated based on the licensee's birth month and birth year. This proposal also adds clean-up language that requires licensees to document compliance with continuing competency requirements on their license renewal form. Continuing competency requirements become effective on January 1, 2006.

As of a result of the transition from annual to biennial renewal, the license renewal fee will be reduced by half. This will create an automatic fee reduction and reduce the Board's fund condition. When the Board was established, the renewal fees were set at the maximum amount of \$150 to create a fiscally sound fund condition in an amount necessary to support its regulatory activities. To date, the Board has licensed over 10,000 practitioners and a decrease in the fund condition is necessary.

Section 4121: The proposed language eliminates the grace period for charging a delinquent fee to licensees who do not pay their license renewal fee within thirty (30) days of the expiration date of their license. Licensees will now pay the delinquent fee if their license renewal fee is not paid on or before their license expiration date. Currently, many licensees believe they can practice during the thirty-day "grace" period after their license expires because they are not being charged a late fee during this time. This change will eliminate that confusion by licensees and should significantly reduce the instances of unlicensed practice.

Section 4161: The proposed language will bring the continuing education requirements in line with biennial license renewal. Licensees will experience a two-year

transition period from annual to biennial renewal. During this time, some licensees will renew for one year until they reach the correct year to transition to biennial renewal, and others will start renewing for two years right away. The language was modified in such a manner that will allow for both annual and biennial renewals during the transition period.

The proposed language also clarifies that licensees will not be given partial credit for professional development activities listed in subsection (c). Prohibiting licensees from prorating units will reduce confusion for those licensees who may attempt to prorate and then add together several different professional development activities. This will not only increase the accuracy of the number of units reported by the licensee, but also expedite the audit process performed by Board staff. The Board has already received a significant number of telephone calls from licensees inquiring about submitting partial activities.

UNDERLYING DATA:

No underlying data was used during the development of these regulations.

BUSINESS IMPACT:

This regulation will not have a significant adverse economic impact on business. The proposed regulation will only affect licensees and certificate holders.

SPECIFIC TECHNOLOGIES OR EQUIPMENT:

This regulation does not mandate the use of any specific technologies or equipment.

CONSIDERATION OF ALTERNATIVES:

The alternative to this proposed regulation is contained in a previous regulatory package which amends Title 16, California Code of Regulations, section 4130 - Fees (Z-05-0627-1). The regulation was noticed on July 8, 2005. The original text proposed a reduction in the license renewal fee from \$150.00 to \$50.00 annually. However, after further review of the Board's revenue and expenditures, it was determined that an annual renewal fee of \$50.00 would result in an insufficient fund condition within five years. Therefore, the Board will be offered two options within that regulatory package. The first option transitions licensees to a biennial renewal with the renewal fee remaining at \$150.00 biennially. The second option would reduce the license renewal fee to \$75.00 annually. Both sets of modified regulatory text will be noticed for ten (10) days after which the Board will vote to adopt one of the options. If the Board votes to continue with an annual renewal and reduce the renewal fee to \$75.00, this regulatory package will be withdrawn. If the Board votes to transition to biennial renewal, this regulatory package will go forward in order to bring CCR sections 4120, 4121, and 4161 in line with biennial renewal. Both options will reduce the license renewal fee by half of its current figure.